

Gaming Tax Amendment Notice 2020

Explanatory notes for SL 2020 No. 266

made under the

Casino Control Act 1982
Gaming Machine Act 1991

General Outline

Short title

Gaming Tax Amendment Notice 2020

Authorising law

Section 57A *Casino Control Act 1982* (Casino Control Act)
Section 367C *Gaming Machine Act 1991* (Gaming Machine Act)

Policy objectives and the reasons for them

Tax (which includes any health services levy) calculated on gaming machine revenue earned in March 2020 was due to be paid by casinos by 7 April 2020, and by clubs and hotels by 10 April 2020.

However, to assist gaming licensees manage the financial impacts of health directives to close during the coronavirus (COVID-19) emergency, the Gaming Tax Notice 2020 (Gaming Tax Notice) deferred the March 2020 gaming taxes on terms which require their repayment in three equal instalments due in February 2021, April 2021 and June 2021, unless licensees opt to make the repayment in one lump sum in February 2021.

In order to provide further support for gaming licensees as they continue to navigate the challenges posed by COVID-19, the Government has approved the further deferral of the March 2020 gaming taxes to June 2020.

Section 367C of the Gaming Machine Act enables a gaming tax notice to be made to defer payment of a gaming tax payable under the Gaming Machine Act and Casino Control Act, subject to the approval of the Treasurer.

The objective of the Gaming Tax Amendment Notice 2020 (Amendment Notice) is to provide for the further deferral of the March 2020 gaming taxes in accordance with the Government's decision and has the approval of the Treasurer.

Achievement of policy objectives

The Amendment Notice achieves the policy objective by amending the Gaming Tax Notice to provide for the repayment of the March 2020 gaming taxes in June 2021.

For casino licensees, the deferred tax will be required to be repaid as a lump sum on or before 7 June 2021.

For club and hotel licensees, the deferred tax will be required to be repaid as a lump sum on or before the day approved by the Commissioner for Liquor and Gaming. The Commissioner may approve a day that is between 10 and 30 June 2021. As club and hotel gaming machine taxes are generally collected monthly through a sweep of funds from nominated bank accounts, it is necessary to provide some contingency to enable the Commissioner to approve another day on which the deferred tax must be paid in the event that a planned sweep fails or is unable to occur.

Consistency with policy objectives of authorising law

The Amendment Notice is consistent with the purpose of Part 11A of the Gaming Machine Act. Section 367 of the Gaming Machine Act states that the purpose of Part 11A is to provide for the payment of gaming taxes to be deferred to alleviate the financial burden caused by the COVID-19 emergency on gaming operators.

Inconsistency with policy objectives of other legislation

The Amendment Notice is not inconsistent with the policy objectives of other legislation.

Benefits and costs of implementation

The further deferral of the March 2020 gaming taxes will assist licensees as they continue to recover financially from the disruption caused by the COVID-19 pandemic.

The value of the deferred taxes equates to approximately \$47 million.

Consistency with fundamental legislative principles

The Amendment Notice is consistent with fundamental legislative principles.

Consultation

Queensland Treasury and the Department of the Premier and Cabinet were consulted on the Amendment Notice. No objections were raised.

A self-assessment by the Department of Justice and Attorney-General determined that no Regulatory Impact Analysis is required for the Amendment Notice as the Amendment Notice is considered to be machinery in nature.